

VII. STANDING COMMITTEES

A. Academic and Student Affairs Committee

Approval of Proposed Amendments to the University of Washington Book Store TrustRECOMMENDED ACTION:

It is the recommendation of the administration and the Academic and Student Affairs Committee that the Board of Regents approve the following proposed amendments to the University of Washington Book Store Trust:

1. To increase the University Book Store Board of Trustees from nine members to eleven members by adding a fifth UW student trustee to be appointed by either the ASUW or the GPSS based on mutual agreement and the chief executive officer of the University Book Store. The chief executive officer would not be eligible to hold President (Chair) or Vice President (Vice Chair) positions on the board and would not be eligible to vote on issues relating to the chief executive position.

2. To make each of the terms of the five UW student trustees, four UW faculty trustees and the UW administrative trustee three years. In the event a trustee is unable to complete a term, a new trustee would be appointed to complete the remaining board year term, if applicable, and their full three-year term would commence on the following July 1st.

3. To approve revisions to the University of Washington Book Store Trust document to reflect the amendments and for accuracy and relevancy.

BACKGROUND:

Proposed Amendment 1. It was determined that by adding a fifth student to the board, equal representation would be achieved with respect to the students and University of Washington staff as follows:

- UW Students – Five board positions
- UW Faculty – Four board positions
- UW Administrator – One board position

Including the chief executive on the board is consistent with industry practice for for-profit, independent college stores and would provide a voice representing the management and staff of the Book Store, achieve an odd number of board positions for voting purposes if necessary and ensure that no single group of trustees would have a fifty percent or greater voting position for federal income tax purposes.

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Proposed Amendment 2. Currently one student trustee and the UW administrative trustee serve one-year terms. Three students and the four faculty members serve three-year terms. It was concluded that a one year term is too short to enable a board member to sufficiently understand corporate issues prior to the term expiring and that one-year terms adversely affect continuity.

Parties to the University of Washington Book Store Trust, established in 1964, are the University Book Store Board of Trustees, the ASUW Board of Directors and the University of Washington Board of Regents. The proposed amendments above were unanimously approved by the University Book Store Board of Trustees on October 21, 2004 and the ASUW Board of Directors on December 2, 2004.

University Book Store was founded by UW students in 1900 and separately incorporated by the ASUW in 1932. The Book Store was owned by the ASUW from its inception until creation of the trust in 1964, at which time all shares of Book Store stock held by the ASUW were transferred into the trust.